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ATTORNEYS FOR BRIGHT BAY GMC TRUCK, INC.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : CHAPTER 11
: Case No. 09-50026-REG
: MOTORS LIQUIDATION COMPANY, *et al.* : (Jointly Administered)
f/k/a General Motors Corp., *et al.* :
Debtors :
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**OBJECTIONS OF BRIGHT BAY GMC TRUCK, INC. TO DEBTORS' MOTION FOR
ALTERNATIVE DISPUTE RESOLUTION PROCEDURES**

Bright Bay GMC Truck, Inc. ("Bright Bay"), appearing through its attorney, objects to the debtors' motion regarding alternative dispute resolution procedures.

1. Bright Bay was a General Motors ("GM") dealership who is named (along with GM) in a products liability lawsuit brought in New York State Court on behalf of two girls who sustained broken necks (both girls) and quadriplegia (one of the girls) in a motor vehicle accident which occurred on February 21, 2007. The girls claim that their injuries were caused by a defective restraint system in the GM vehicle in which they were passengers. Under product liability law, Bright Bay has been named as a defendant solely due to its role as the GM dealership which sold the vehicle in which the girls were injured.

2. The plaintiffs in the product liability claim do not at this time allege any independent negligence by Bright Bay. These product liability claims against GM, which are stayed due to GM's bankruptcy, have been severed from the New York case by Court Order and the claims against the remaining defendants, including Bright Bay, are proceeding toward trial in New York State Court.

3. Bright Bay's claim for indemnity and defense costs against GM is premised upon common law and the provisions of its dealership agreement with GM.

4. Bright Bay objects to GM's proposed ADR procedures for several reasons. First, the proposed procedures envision separate ADR proceedings for GM and each holder of an unliquidated claim in its bankruptcy, even when one claim (such as Bright Bay's claim for indemnity against GM) is directly related to and dependent upon other claims in the bankruptcy (those of the two young girls who were injured in the GM vehicle).

5. Without procedures for ensuring that related claims are resolved together, inconsistent results are possible within the bankruptcy itself. These problems for Bright Bay are prejudicial when the product liability claims of the young girls are assigned values in the bankruptcy court which are inconsistent with values assigned to Bright Bay's dependent indemnity claims in either the bankruptcy court or by a jury in New York State Court.

6. Secondly, Bright Bay objects to the proposed ADR procedures because they do not preserve Bright Bay's rights to seek recovery from the insurance policies held by GM, which provide coverage to GM in products liability and related indemnity claims. In protecting Bright Bay's indemnity rights, it is essential that its ability to proceed against GM's insurance policies remains unimpeded.

Wherefore, Bright Bay requests that debtors' motion for an Order authorizing ADR procedures be denied.

Respectfully submitted,


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